

House Standing Committee on Commerce - Public Testimony
Presented by Jonathan B. Smith
Wave Dispersion Technologies, Inc.

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Contact: Jonathan B. Smith
Phone: 248-229-9010
Fax: 248-282-0640
Address: Wave Dispersion Technologies, Inc.
2240 Greer Blvd.
Sylvan Lake, MI 48320
E-mail: jbsmith@whisprwave.com

Mr. Chairman and members of the House Commerce Committee, my name is Jonathan Smith and I am here today representing Wave Dispersion Technologies—a homeland security company based in Sylvan Lake, Michigan. My company has been a member of Automation Alley since 2000. Wave Dispersion Technologies participated in the Michigan Technology Tri-Corridor program in 2004 as an applicant for commercialization funding.

Wave Dispersion Technologies has developed an innovative homeland security product called, WhisprWave®. WhisprWave® is a maritime port security barrier that has been characterized by the U.S. Navy as the definitive survivable line of demarcation with installations protecting ports, critical infrastructure, and military assets. Our customers include the Navy, the Coast Guard, the Army and the Army Corps of Engineers. We are also working with a major systems integrator capable of distributing our product on a global basis.

Additionally, Wave Dispersion Technologies is developing subject matter expertise in the homeland security field:

- I am nearing completion of the Michigan State University Online Certificate in Homeland Security Studies, which includes courses on the Foundation of Homeland Security, Issues in Terrorism, and Public-Private Partnerships in Homeland Security.
- My company receives many invitations to present on the topic of maritime security, most recently receiving an invitation from the Office of the Secretary of Defense to present at the Sea Shield Conference.
- We also plan to present at a security summit in Dubai this September on oil and maritime critical infrastructure protection.

Our company was self-financed from initial prototype through product commercialization. However, the scope of our Michigan operations suffered because of the costly nature of product development and lengthy commercialization cycles. Our products are in demand globally and are designed to be assembled either locally or in the field. It is encouraging to see the legislature focus upon these type of investments because it will provide a distinct incentive to companies like ours to maintain and grow further operations in Michigan.

I am here this morning to advocate and support the specific inclusion of funding for homeland security and defense technology commercialization in the proposed legislation, HB 5047. While there are a number of versions of the proposal being considered, I am pleased to see discussions regarding targeted R&D and technology commercialization investments. In an effort to encourage the growth of Michigan's homeland security industry, I offer support of the following recommendations:

- We encourage programs that invest in Michigan-based, university validity testing and the prototyping process. The discovery that Thomas Edison made is that you innovate by iterating quickly, by having lots of prototypes. Prototyping allows you to learn from risks almost immediately. You get a sense of the performance range of a product or service that teaches you more about the idea than a thousands hours spent intellectualizing.
- Seed funding of product commercialization through the State's SmartZone business accelerators to insure market validity and access to future financing.
- A peer review of company applications to participate in the R&D program that gives significant weight to market/customer validation.

Besides enlisting the support of the nation and the globe in the War on Terrorism, it is critical that the nation utilizes its unique entrepreneurial capabilities in creating a solution to maritime security issues and other homeland security problems. I believe that more of the State's R&D efforts should be focused upon Edison's philosophy of innovation. It is very easy to get bogged down in the red tape associated with R&D, but it is important that the focus remains on market solutions and value creation, not myopically on the process. Finally, the focus should be on economic development over a federal style basic research program to ensure a return on the State's investment and that job creation results from the effort.

As my fellow colleagues who are very involved with Automation Alley and have already expressed their thanks, I too am appreciative toward the House leadership and this committee for continuing this debate on technology related economic development. I also support many of the concepts that are under consideration by this committee and echo the sentiments of Rochelle Black and Brigadier General Donald Schenk that our state officials are moving in the right direction for job expansion and economic growth in Michigan.